



Date: April 14, 2014

To: Thomas J. Bonfield, City Manager
Through: Keith Chadwell, Deputy City Manager
From: Reginald J. Johnson, Director
Department of Community Development
Subject: Update on Comprehensive Housing Strategy,
Five-Year Funding Plan and Dedicated Funding Source

Executive Summary

In concert with Council's decision in 2012 to create a dedicated funding source for affordable housing, the Department of Community Development presented a comprehensive five-year funding plan for housing and community development activities encompassing that local funding and projected entitlement funding from the U.S. Department of Housing and Urban Development. In 2013, an updated funding plan was presented to reflect actual FY 14 budget recommendations and projected funding by activity in FY 15.

At the Council work session scheduled for April 24, the Department will make a presentation detailing affordable housing and neighborhood revitalization accomplishments and projected accomplishments and the budgetary detail (funding plan) associated with those accomplishments. A detailed accounting of dedicated funding source revenues and expenditures will also be presented. This information is being presented in conjunction with the Department's recommendation to approve the FY 14-15 Annual Action Plan and amendments to the FY 11-12 through FY 13-14 Annual Action Plans.

Recommendation

The Department of Community Development recommends that City Council receive a report and presentation on the update to the Comprehensive Housing Strategy, Five-Year Funding Plan and Dedicated Funding Source.

Background

The three source documents which provide the basis for the upcoming presentations are attachments to this memo. The "Comprehensive Housing Strategy Status Report" outlines projected accomplishments for the current fiscal year and provides a forecast of accomplishments through FY 19. New programmatic proposals are described in the narrative.

The Five Year Resource Projection (Funding Plan) depicts the projected revenues and expenditures associated with the implementation of the updated housing strategy. One of the changes from the Funding Plan reviewed in 2013 deals with HUD entitlement funding. In the original Funding Plan and the 2013 update, HUD entitlement funds were trended downward throughout the forecast period. For the current and upcoming fiscal years

however, entitlement funding has remained essentially constant. Therefore, the funding plan assumes that the level of entitlement funding will remain the same through FY 19.

The funding plan depicts the alignment of resources based on Council approval of the Substantial Amendment referenced above. The Substantial Amendment agenda memo explains the purpose and need for the re-alignment of resources.

The third attachment focuses solely on the Dedicated Housing Fund. As noted in the attachment, a fund balance of \$53,696.97 not otherwise allocated to an activity is projected for the end of FY 14. This fund balance is the result of an activity planned by Preservation North Carolina not moving forward, coupled with a downward adjustment in actual revenues vs. the forecast.

Attachments

Comprehensive Housing Strategy Status Report
Five Year Resource Projection
Dedicated Funding Source